

# DETROIT POST-PETITION FINANCING

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Briefing Materials Prepared for Members of City Council

October 7, 2013

CITY'S  
EXHIBIT

090



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# POST-PETITION FINANCING OVERVIEW

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## OVERVIEW

- Over the last month, the Office of the Emergency Manager and financial and legal advisors to the City of Detroit ("City" or "Detroit") have conducted a competitive process to source financing for the City
- The City contacted over 50 commercial lending institutions, investment banks and investment funds, seeking proposals for up to \$350 million in Post-Petition Financing (the "Financing")
- The City indicated to potential lenders that the Financing would be used principally to fund: i) the City's obligations with respect to the certain optional swap terminal rights under the Forbearance and Optional Termination Agreement (the "Forbearance Agreement") and ii) the City's reinvestment initiatives
- The City proposed a two-loan or bond facility structure, consisting of a "Swap Termination Loan" and a "Quality of Life Loan", addressing each principal use, but indicated that it would be willing to consider alternative structures
  - The Swap Termination Loan would be sized to meet the City's financing needs with respect to the exercise of its termination rights under the Forbearance Agreement, currently estimated to be approximately \$230,000,000
  - Quality of Life Loan, constituting the remaining \$120,000,000 of the Financing, would be used for purposes permitted by law, including, without limitation, to fund expenditures that are designed to contribute to the improvement of the quality of life in the City
- To ensure a competitive process that allows the City to achieve the lowest cost on best terms, much of the process has been run confidentially, with Miller Buckfire and Jones Day conducting the process, assisted by Ernst & Young, Conway MacKenzie and Miller Canfield
- To evaluate the opportunity, potential lenders received a model term sheet describing the financing structure the City sought and a financial forecast that projected the City's cash flows over the restructuring process
- We are in the final stages of the competitive process. We anticipate providing City Council with the selected financing commitment per PA 436



# FINANCING PROCESS PROGRESSION

Miller Buckfire conducted a robust post-petition financing solicitation process, contacting a range of potential lenders with expertise in both municipal and/or post-petition financing, many of whom engaged in significant due diligence

- This confidential process resulted in a competitive financing commitment on the most favorable terms available in the market

Number of Parties Contacted	Number of Parties that Executed Non-Disclosure Agreement	Number of Parties that Submitted Letter of Intent	Number of Parties Requested to Submit Commitment Letter	Number of Parties that Submitted Commitment Letter
50	40	16	4	4



# COST COMPARISON (\$MM)

The Financing offers a substantial cash savings opportunity to the City

Annual Cost of Swaps <sup>(1)</sup>
\$50.4

- City still owes a termination payment equal to 100% of the mark-to-market value of the swaps (around \$300 million at end of June)

Annual Cost of Swap Termination Loan <sup>(2)</sup>				
<i>Indicative All-In Interest Rates</i>				
5.0%	6.0%	7.0%	8.0%	9.0%
\$11.5	\$13.8	\$16.1	\$18.4	\$20.7

- City retires the swaps at 75% of mark-to-market (\$230 million)<sup>(4)</sup>
- New loan has lower annual cost and longer repayment terms

Annual Cost of Swap Termination and Quality of Life Loans <sup>(3)</sup>				
<i>Indicative All-In Interest Rates</i>				
5.0%	6.0%	7.0%	8.0%	9.0%
\$17.5	\$21.0	\$24.5	\$28.0	\$31.5

- City retires the swaps at 75% of mark-to-market (\$230 million)<sup>(4)</sup>
- City has additional funds to reinvest in municipal services
- New loan has lower annual cost and longer repayment terms

(1) Source: Ernst & Young Cash flow forecast (4 yr no DIP) v3.4, dated October 3, 2013.

(2) Cost of Swap Termination Loan based on loan size of \$230 million.

(3) Cost of Swap Termination Loan and Quality of Life Loan based on total Post-Petition Facility size of \$350 million.

(4) Transaction must occur before December 31, 2013 to capture 25% discount, after which the discount decreases to 18%.

# APPENDIX

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# POST-PETITION FINANCING LETTER

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MILLER BUCKFIRE

Miller Buckfire & Co., LLC  
601 Lexington Avenue, 22<sup>nd</sup> Floor  
New York, New York 10022  
[www.millerbuckfire.com](http://www.millerbuckfire.com)

Norma Corio  
Co-President & Managing Director  
Phone: 212-895-1805  
Fax: 212-895-1850  
[norma.corio@millerbuckfire.com](mailto:norma.corio@millerbuckfire.com)

[ Date ]

Addressee  
Company  
Street Address 1  
Street Address 2  
City, State ZIP

Dear [ potential lender ]:

On behalf of the City of Detroit ("Detroit" or the "City"), Miller Buckfire & Co., LLC ("Miller Buckfire") is soliciting parties who may be interested in providing the City with a financing proposal. Detroit is seeking up to \$350 million Post-Petition Financing (the "Financing"). The City expects that proceeds of the Financing would be used principally to fund: i) the City's obligations with respect to the certain optional swap terminal rights under the Forbearance and Optional Termination Agreement (the "Forbearance Agreement") and ii) the City's reinvestment initiatives. The City will also consider financing proposals other than the aforementioned financing structure(s) including but not limited to novation of the City's swap agreements referenced in the Forbearance Agreement as an alternative to (i) above.

Included as an attachment to this letter, Miller Buckfire has provided a term sheet summarizing the proposed financing and a copy of the Forbearance Agreement. The information provided is subject to the terms and conditions of the Confidentiality Agreement that you previously executed with the City. Based upon this information, prospective financing sources are asked to confirm with Miller Buckfire that they are developing an indicative financing proposal by no later than 3 P.M. E.S.T. on September 6, 2013. In addition, prospective financing sources will be expected to submit indicative term sheets ("Term Sheets") no later than 5 P.M. E.S.T. on September 16, 2013, to the attention of:

Norma Corio  
Co-President & Managing Director  
Miller Buckfire & Co., LLC  
601 Lexington Avenue, 22<sup>nd</sup> Floor  
New York, New York 10022  
Tel: (212) 895-1805  
[norma.corio@millerbuckfire.com](mailto:norma.corio@millerbuckfire.com)

Your Term Sheet should be in writing and should specify the following:

- (i) Description of the contemplated debt financing structure;
- (ii) Indication of pricing and other key terms (tenor, fees, rates/spreads, amortization, security, conditions precedent, etc);
- (iii) Amount your institution is willing to commit to underwrite;
- (iv) Significant issues that may impact the overall structure and/or your level of commitment;
- (v) Process required to provide a definitive commitment letter, including identification of any significant contingencies; and
- (vi) Any other information that you believe will assist Miller Buckfire and the City in reviewing your Term Sheet.

In evaluating the Term Sheets, the City, in conjunction with Miller Buckfire, will take into consideration, among other things, the contemplated transaction structure, pricing and fees associated with the transaction and the financing source's ability to close a transaction expeditiously. Upon completion of this review, Miller Buckfire and the City will select a limited number of financing sources to complete due diligence and to provide Detroit with a financing commitment, which will be due in late September.

Detroit reserves the right, at any time, in its sole discretion and without specifying the reasons therefore, to alter or terminate this process, and to terminate discussions with any and all prospective financing sources. The existence and contents of this letter are subject to the Confidentiality Agreement that you previously executed regarding the City. Prospective financing sources may not contact any employee of the City, except as specifically authorized in advance.

If you have further questions concerning Detroit or the procedures set forth in this letter, please feel free to call Norma Corio at (212) 895-1805, Jim Doak at (212) 895-1829 or Kevin Haggard at (212) 895-1883.

Thank you for your continued interest. We look forward to working with you.

Sincerely,

MILLER BUCKFIRE & CO., LLC

cc: Thomas Saxton, Deputy Treasurer, Michigan Department of the Treasury  
Kevyn Orr, Emergency Manager, City of Detroit

# MODEL TERM SHEET

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City of Detroit  
\$350,000,000 Post-Petition Loan or Bond Facility  
Summary of Certain Key Terms and Conditions

*Set forth below is a summary of certain key terms for the Post-Petition Facility (as defined below). This summary of terms is for indicative purposes only. It does not purport to summarize all terms of the Post-Petition Facility and related documentation and any terms contained herein are subject to change.*

**1. PARTIES AND TRANSACTIONS**

**Borrower:** The City of Detroit (the "City"). On July 18, 2013, the City filed a voluntary petition for relief under chapter 9 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the "Bankruptcy Code"), in the U.S. Bankruptcy Court for the Eastern District of Michigan (the "Bankruptcy Court"). The City's bankruptcy case bears case number 13-53846 (the "Bankruptcy Case") and has been assigned to the Honorable Steven W. Rhodes.

**Administrative Agent:** TBD

**Lenders:** TBD

**2. TYPE AND AMOUNT OF FACILITY**

**Type and Amount:** Up to \$350,000,000, two loan or bond facility (the "Post-Petition Facility") consisting of a "Swap Termination Loan" and a "Quality of Life Loan". The Swap Termination Loan and the Quality of Life Loan are collectively referred to as the "Loans". With regards to the Forbearance Agreement as referenced below, the City, alternatively, will consider financing proposals other than a Debtor-In-Possession financing structure, including, but not limited to, novation of the City's swap agreements.

**Swap Termination Loan:** The Swap Termination Loan may be used by the City to exercise its swap termination rights under the Forbearance and Optional Termination Agreement dated as of July 15, 2013, among the City, the Emergency Manager of the City, the Detroit General Retirement System Service Corporation, the Detroit Police and Fire Retirement System Service Corporation, on the one hand, and UBS AG and Merrill Lynch Capital Services, Inc., on the other (as amended, the "Forbearance Agreement"). The City's financing needs with respect to the exercise of its termination rights under the Forbearance Agreement are currently estimated to be approximately \$230,000,000.

**Quality of Life Loan:** Proceeds of the Quality of Life Loan shall be used for purposes

permitted by law, including, without limitation, to fund expenditures that are designed to contribute to the improvement of the quality of life in the City. The Quality of Life Loan will be in an amount equal to \$350,000,000 minus the amount of the Swap Termination Loan.

**Maturity:** The Loans will mature on the earliest to occur of (a) dismissal of the Bankruptcy Case (b) the effective date of a plan of adjustment for the City and (c) the second anniversary of the Closing Date (hereinafter defined) (in any event, the "Maturity Date").

**Closing Date:** The Closing Date shall be the first business day after the last to occur of (i) the Bankruptcy Court having entered an order in form and substance satisfactory to the Administrative Agent and the Lenders (the "Post-Petition Financing Order"), authorizing the Post-Petition Facility, authorizing the City to enter into the Loan Documents and and authorizing and directing the City to perform its obligations there under that has not been stayed pending appeal or otherwise, (ii) the Bankruptcy Court having entered an order for relief in the Bankruptcy Case and (iii) the Date on which all conditions precedent to the funding of the Loans under the Loan Documents are satisfied.

### 3. CERTAIN PAYMENT PROVISIONS

**Pricing:** TBD

Upon the occurrence of an Event of Default, including the failure by the City to pay the Loans in full on the Maturity Date, the interest rates on the loans shall be increased by 2% per annum.

**Amortization of Principal:** TBD

**Mandatory Prepayments:** The City shall utilize all net proceeds of the voluntary disposition or monetization of any City owned asset which generates net proceeds exceeding \$10 million (the "Asset Proceeds Collateral") to pay amounts outstanding under the Swap Termination Loan and the Quality of Life Loan on a pro-rata basis as and when such net proceeds are received by the City.

### 4. COLLATERAL AND PRIORITY

**Collateral – Swap Termination Loan:** The obligations owing by the City under the Swap Termination Loan shall, pursuant to section 364(c) of the Bankruptcy Code, be secured by a first priority lien on: (i) income tax revenues of the City (the "Pledged Income Tax Revenue") and (ii) the Asset Proceeds Collateral (collectively, the "Swap Termination Loan Collateral"). The lien on



the Asset Proceeds Collateral shall also secure the Quality of Life Loan on a pari-passu basis. The Quality of Life Loan shall be secured by a second lien on the Pledged Income Tax Revenue.

The documentation evidencing the Loans and the liens securing them (collectively, the "Loan Documents") will require that the Pledged Income Tax Revenues be deposited into one or more bank accounts (such bank accounts, the "Income Tax Revenue Accounts"), which such bank accounts shall be subject to control agreements in favor of the Administrative Agent, provided, however, that the Loan Documents shall limit the amount of Pledged Income Tax Revenue that may be applied to the outstanding amounts owing with respect to the Swap Termination Loan following an Event of Default to \$4 million per month, all of which shall be applied to repay the Swap Termination Loan until such loan is paid in full and thereafter, such amounts shall be applied to repay the Quality of Life Loan. The City shall be authorized to use all other Pledged Income Tax Revenue to fund the operations of the City, without limitation, following the occurrence of an Event of Default.

Collateral – Quality of Life Loan:

The obligations owing by the City under the Post-Petition Facility with respect to the Quality of Life Loan shall, pursuant to section 364(c) of the Bankruptcy Code, be secured by (i) a first priority lien on (a) taxes owing to the City in respect of the gross receipts earned by each of the City's casinos (the "Pledged Wagering Tax Revenues") and (b) the Asset Proceeds Collateral and (ii) a second priority lien on the Pledged Income Tax Revenue (collectively, the "Quality of Life Loan Collateral"). The lien on the Asset Proceeds Collateral shall also secure the Swap Termination Loan on a pari-passu basis.

The Loan Documents will require that Pledged Wagering Tax Revenues be deposited into one or more bank accounts (such bank accounts, the "Wagering Tax Revenue Accounts"), which such bank accounts shall be subject to control agreements in favor of the Administrative Agent, provided, however, that the Loan Documents shall limit the amount of Wagering Tax Revenue that may be applied to the outstanding amounts owing with respect to the Quality of Life Loan during an Event of Default to \$4 million per month. The City shall be authorized to use all other Pledged Wagering Tax Revenue for any purpose permitted by law, without limitation, following the occurrence of an Event of Default.

Super-Priority of Loans:

Pursuant to Bankruptcy Code sections 364(c) and 503 the Loans shall have priority over all administrative expenses and over all prepetition unsecured claims.

Events of Default: The failure to make any payment when such payment is due under the Loan Documents following notice from the Lenders shall constitute an event of default under the Loan Documents (an "Event of Default").

Prohibition of Additional Borrowings: The City will covenant that it will not to obtain any additional financing that (a) would have the same, or senior, payment priority to the Post-Petition Facility, or (b) is secured by a lien having senior or equal priority lien on any of the Swap Termination Loan Collateral or Quality of Life Loan Collateral. The Post-Petition Financing Order shall provide that no Asset Proceeds Collateral shall be used for any purpose other than the payment of amounts outstanding under the Loans.

## 5. CERTAIN OTHER PROVISIONS

Authority to Borrow: Prior to the Closing Date, the City shall have received authorization from the Emergency Loan Board under Section 36a of the Home Rule City Act.

City Consent to Jurisdiction: The City shall consent to the jurisdiction of the Bankruptcy Court's to enter the Post-Petition Financing Order and to enforce the City's obligations thereunder pursuant to Bankruptcy Code section 904.

Restrictions on Dismissal of Bankruptcy Case: The Post-Petition Financing Order will prohibit dismissal of the Bankruptcy Case prior to the City paying all amounts outstanding under the Post-Petition Facility unless an order dismissing the case expressly provides that such order does not vacate or otherwise affect the Post-Petition Financing Order and that the Bankruptcy Court or the United States District Court for the Eastern District of Michigan shall retain jurisdiction to enforce the Post-Petition Financing Order.

# CASH FLOW PROJECTIONS

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## Project Piston

Cash Flow Forecast - through FY 2017

(DIP Financing Scenario)

Work in Process - Subject to Material Change

Information contained herein has not been independently verified and is subject to material change based on continuing review. Accordingly, the information contained herein is not intended to be and should not be relied upon by any third party or as legal, auditing, or accounting advice.

The attached cash flows ("Cash Flows"), its assumptions and underlying data are the product of the Client and its management ("Management") and consist of information obtained solely from the Client. With respect to prospective financial information relative to the Client, Ernst & Young LLP ("EY") did not examine, compile or apply agreed upon procedures to such information in accordance with attestation standards established by the AICPA and EY expresses no assurance of any kind on the information presented. It is the Client's responsibility to make its own decision based on the information available to it. Management has the knowledge, experience and ability to form its own conclusions related to the Client's Cash Flows. There will usually be differences between forecasted and actual results because events and circumstances frequently do not occur as expected and those differences may be material. EY takes no responsibility for the achievement of forecasted results. Accordingly, reliance on this report is prohibited by any third party as the projected financial information contained herein is subject to material change and may not reflect actual results.

### NOTE:

General Fund cash activity and the forecasts herein are based on estimated cash activity for the General Fund main operating account. In addition to General Fund cash (fund 1000), the main operating account also contains cash balances and cash activity of the Risk Management Fund, Construction Fund, Street Funds, Solid Waste Fund, General Grants, and Motor Vehicle Fund ("other funds"). While the cash balances related to these other funds are pooled with General Fund cash, the City does maintain a separate accounting of due to/from balances for each fund. Since the General Fund commonly borrows from other funds, actual cash balance in these accounts at any given point in time is higher than that which actually belongs solely to the General Fund.

Cash Bridge - Funds available for unsecured claims per Creditor Proposal vs. DIP Financing Scenario

\$ in millions

	FY 2014	FY 2015	FY 2016	FY 2017
Funds available for unsecured claims (per Creditor Proposal)	\$ 30.0	\$ 31.9	\$ 55.5	\$ 32.3
Retiree healthcare transition costs in CF	(104.9)	(46.8)	(40.0)	(40.0)
Higher Transportation Dept (DDOT) subsidy in CF	(17.0)	(15.8)	(0.0)	-
Accounts payable vendor risk in CF	(30.0)	-	-	-
Cash escrow reserve requirement for self-insurance certification in CF	(7.8)	-	-	-
Tax revenue upside not included	(7.4)	-	-	-
Reinvestment timing change (see Memo 1 below)	62.9	(19.6)	36.5	36.2
DIP financing proceeds (net) (see Memo 2 below)	119.8	-	-	-
DIP financing principal/interest payments (see Memo 2 below)	(11.7)	(63.3)	(96.0)	(96.0)
Swap payment savings from settlement	33.7	50.6	50.6	50.6
Refunding bond proceeds drawn from escrow	20.0	-	-	-
Rounding	(0.1)	0.1	(0.0)	(0.1)
Total reconciling items	\$ 57.6	\$ (94.8)	\$ (48.9)	\$ (49.3)
Net cash flow per DIP Financing Scenario	\$ 87.6	\$ (62.9)	\$ 6.6	\$ (17.0)

Memo 1: Reinvestment timing change

Expenditure timing change	62.9	(44.6)	(11.5)	0.1
Deferral of expenditures	-	25.0	48.0	36.1
Reinvestment timing change	\$ 62.9	\$ (19.6)	\$ 36.5	\$ 36.2

Memo 2: DIP financing related activity

Gross loan amount	350.0	-	-	-
Less: fees and expenses (1.5%)	(5.3)	-	-	-
Less: swap settlement	(225.0)	-	-	-
Net proceeds	\$ 119.8	\$ -	\$ -	\$ -
Interest payments (5.0% through Nov'14; 7.0% thereafter)	(11.7)	(20.8)	(19.1)	(13.5)
Principal payments	-	(42.4)	(76.9)	(82.5)
Total principal/interest payments	\$ (11.7)	\$ (63.3)	\$ (96.0)	\$ (96.0)

\$ in millions	5	4	4	5	4	4	5	4	4	5	4	4	2A + 10F
	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	FY 2014
	Jan-13	Jan-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	
Operating Receipts													
Property taxes	\$ 13.3	\$ 6.8	\$ 3.2	\$ 22.1	\$ 142.5	\$ 21.3	\$ 4.9	\$ 1.4	\$ 2.6	\$ 40.2	\$ 468.4	\$ 468.4	
Income & utility taxes	22.6	28.8	23.0	22.6	28.8	23.8	23.0	28.8	22.6	23.0	294.7	294.7	
Gaming taxes	8.9	22.9	10.3	9.4	22.0	9.8	15.0	17.3	13.1	11.7	174.2	174.2	
Municipal service fee to casinos	-	-	4.0	4.0	2.1	-	-	-	-	-	17.4	17.4	
State revenue sharing	30.8	-	30.8	-	30.8	-	30.8	-	30.8	-	184.3	184.3	
Other receipts	23.4	30.4	24.2	23.8	37.2	27.2	26.5	32.7	26.1	26.0	342.9	342.9	
Financing proceeds	-	119.8	-	20.0	-	-	-	-	-	-	139.8	139.8	
Total operating receipts	99.1	208.6	95.5	101.8	263.4	82.2	100.2	80.2	95.2	100.9	1,621.6	1,621.6	
Operating Disbursements													
Payroll, taxes, & deductions	(26.1)	(36.0)	(27.2)	(27.2)	(32.1)	(28.3)	(28.3)	(37.0)	(28.3)	(28.3)	(362.2)	(362.2)	
Benefits	(15.8)	(16.5)	(16.4)	(16.4)	(16.8)	(15.6)	(15.6)	(8.1)	(8.1)	(8.1)	(165.8)	(165.8)	
Pension contributions	(6.4)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(25.4)	(25.4)	
Subsidy payments	(4.6)	(4.6)	(4.6)	(4.6)	(4.6)	(4.6)	(4.6)	(4.6)	(4.6)	(4.6)	(49.0)	(49.0)	
Distributions - tax authorities	(46.8)	(6.7)	(1.2)	(1.5)	(67.1)	(24.5)	(12.1)	(2.0)	-	(8.0)	(253.1)	(253.1)	
Distributions - UTGO (unsecured)	-	-	-	-	-	-	-	-	-	-	-	-	
Distributions - DDA increment	-	-	-	(8.0)	-	-	-	-	-	(1.0)	(9.0)	(9.0)	
Income tax refunds	(0.6)	(0.3)	(1.4)	(0.9)	(0.6)	(0.3)	(0.4)	(2.3)	(1.2)	(5.4)	(17.0)	(17.0)	
A/P and other miscellaneous	(39.8)	(45.7)	(38.3)	(33.7)	(61.2)	(43.0)	(52.5)	(56.9)	(47.0)	(47.0)	(534.3)	(534.3)	
Professional fees	(5.1)	(8.2)	(6.4)	(5.8)	(5.8)	(5.5)	(4.7)	(4.6)	(4.8)	(4.7)	(59.3)	(59.3)	
Sub-total operating disbursements	(145.1)	(120.0)	(97.7)	(100.3)	(190.3)	(123.9)	(120.2)	(117.7)	(96.1)	(109.1)	(1,475.2)	(1,475.2)	
POC and debt related payments	(7.3)	(4.2)	(6.4)	(1.5)	(6.4)	(1.5)	(6.4)	(1.5)	(6.4)	(1.5)	(58.8)	(58.8)	
Total disbursements	(152.4)	(124.2)	(104.1)	(101.8)	(196.7)	(125.4)	(126.6)	(119.1)	(102.4)	(110.6)	(1,534.0)	(1,534.0)	
Net cash flow	(53.3)	84.4	(8.6)	0.0	66.7	(43.2)	(26.4)	(39.0)	(7.2)	(9.7)	87.6	87.6	
Cumulative net cash flow	70.4	154.8	146.3	146.3	213.0	169.9	143.5	104.5	97.3	87.6			
Beginning cash balance	195.0	141.7	226.1	217.6	217.6	284.3	241.2	214.8	175.8	168.6	71.3	71.3	
Net cash flow	(53.3)	84.4	(8.6)	0.0	66.7	(43.2)	(26.4)	(39.0)	(7.2)	(9.7)	87.6	87.6	
Cash before required distributions	141.7	226.1	217.6	217.6	284.3	241.2	214.8	175.8	168.6	158.9	158.9	158.9	
Accumulated property tax distributions	(48.2)	(46.3)	(47.3)	(62.7)	(105.9)	(98.4)	(33.3)	(32.4)	(34.5)	(35.3)	(35.3)	(35.3)	
Cash net of distributions	\$ 93.5	\$ 179.9	\$ 170.3	\$ 154.9	\$ 178.5	\$ 142.8	\$ 181.5	\$ 143.4	\$ 134.1	\$ 123.6	\$ 123.6	\$ 123.6	
Memo: (not included in cash flows above)													
Refunding bond proceeds in escrow	79.5	79.5	79.5	59.5	59.5	59.5	59.5	59.5	59.5	59.5	59.5	59.5	
Reimbursements owed to other funds	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	

## Project Piston

Monthly Cash Flow Forecast FY 2015 - DIP Financing Scenario (including reinvestment)

9/10/13 7:35 PM

\$ in millions

	5	4	4	5	4	4	5	4	4	5	4	4	Forecast
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	FY 2015
<b>Operating Receipts</b>													
Property taxes	\$ 31.0	\$ 168.3	\$ 12.6	\$ 6.4	\$ 3.1	\$ 20.9	\$ 135.1	\$ 20.2	\$ 4.7	\$ 1.3	\$ 2.5	\$ 38.1	\$ 444.2
Income & utility taxes	28.5	22.5	22.1	28.1	22.5	22.1	28.1	23.3	22.5	28.1	22.1	22.5	292.3
Gaming taxes	14.5	14.0	8.9	22.8	10.3	9.3	21.9	9.8	14.9	17.2	13.1	11.7	168.3
Municipal service fee to casinos	-	7.3	-	-	4.0	4.0	2.1	-	-	-	-	-	17.4
State revenue sharing	31.0	-	31.0	-	31.0	-	31.0	-	31.0	-	31.0	-	186.1
Other receipts	27.5	26.1	26.2	32.8	26.6	26.2	32.8	28.3	27.5	33.7	27.1	26.6	341.6
Financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total operating receipts</b>	<b>132.5</b>	<b>238.1</b>	<b>100.8</b>	<b>90.2</b>	<b>97.4</b>	<b>82.5</b>	<b>251.1</b>	<b>81.6</b>	<b>100.6</b>	<b>80.4</b>	<b>95.7</b>	<b>98.9</b>	<b>1,449.9</b>
<b>Operating Disbursements</b>													
Payroll, taxes, & deductions	(33.8)	(29.3)	(29.3)	(38.4)	(29.3)	(29.3)	(33.8)	(29.0)	(29.0)	(38.2)	(29.0)	(29.0)	(377.4)
Benefits	(9.6)	(9.6)	(9.6)	(9.6)	(9.6)	(9.6)	(9.6)	(9.4)	(9.4)	(9.4)	(9.4)	(9.4)	(114.2)
Pension contributions	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(25.7)
Subsidy payments	(5.6)	(2.9)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(51.0)
Distributions - tax authorities	-	(68.9)	(44.4)	(6.3)	(1.2)	(1.5)	(63.6)	(23.2)	(22.7)	(1.9)	-	(7.5)	(241.2)
Distributions - UTGO (unsecured)	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributions - DDA increment	-	-	-	-	-	(8.0)	-	-	-	-	-	(1.0)	(9.0)
Income tax refunds	(2.6)	(1.1)	(0.6)	(0.3)	(1.4)	(0.9)	(0.6)	(0.3)	(0.4)	(2.3)	(1.2)	(5.4)	(17.0)
A/P and other miscellaneous	(48.0)	(41.9)	(42.1)	(58.8)	(40.9)	(40.9)	(50.3)	(44.2)	(44.2)	(49.3)	(43.2)	(43.2)	(547.1)
Professional fees	(5.2)	(4.0)	(5.6)	(3.8)	(18.6)	-	-	-	-	-	-	-	(37.2)
<b>Sub-total operating disbursements</b>	<b>(107.0)</b>	<b>(159.7)</b>	<b>(137.9)</b>	<b>(123.6)</b>	<b>(107.3)</b>	<b>(96.5)</b>	<b>(164.2)</b>	<b>(112.6)</b>	<b>(112.2)</b>	<b>(107.5)</b>	<b>(89.3)</b>	<b>(102.1)</b>	<b>(1,419.9)</b>
POC and debt related payments	(6.4)	(1.5)	(6.4)	(1.5)	(6.4)	(8.0)	(12.9)	(8.0)	(12.9)	(8.0)	(12.9)	(8.0)	(92.8)
<b>Total disbursements</b>	<b>(113.4)</b>	<b>(161.2)</b>	<b>(144.2)</b>	<b>(125.1)</b>	<b>(113.7)</b>	<b>(104.5)</b>	<b>(177.2)</b>	<b>(120.6)</b>	<b>(125.1)</b>	<b>(115.5)</b>	<b>(102.2)</b>	<b>(110.1)</b>	<b>(1,512.7)</b>
<b>Net cash flow</b>	<b>19.1</b>	<b>76.9</b>	<b>(43.4)</b>	<b>(34.8)</b>	<b>(16.3)</b>	<b>(22.0)</b>	<b>73.9</b>	<b>(39.0)</b>	<b>(24.5)</b>	<b>(35.1)</b>	<b>(6.5)</b>	<b>(11.2)</b>	<b>(62.9)</b>
<b>Cumulative net cash flow</b>	<b>19.1</b>	<b>96.1</b>	<b>52.6</b>	<b>17.8</b>	<b>1.5</b>	<b>(20.5)</b>	<b>53.4</b>	<b>14.4</b>	<b>(10.1)</b>	<b>(45.2)</b>	<b>(51.7)</b>	<b>(62.9)</b>	
<b>Beginning cash balance</b>	<b>158.9</b>	<b>178.0</b>	<b>255.0</b>	<b>211.6</b>	<b>176.7</b>	<b>160.4</b>	<b>138.4</b>	<b>212.3</b>	<b>173.3</b>	<b>148.8</b>	<b>113.7</b>	<b>107.2</b>	<b>158.9</b>
<b>Net cash flow</b>	<b>19.1</b>	<b>76.9</b>	<b>(43.4)</b>	<b>(34.8)</b>	<b>(16.3)</b>	<b>(22.0)</b>	<b>73.9</b>	<b>(39.0)</b>	<b>(24.5)</b>	<b>(35.1)</b>	<b>(6.5)</b>	<b>(11.2)</b>	<b>(62.9)</b>
<b>Cash before required distributions</b>	<b>178.0</b>	<b>255.0</b>	<b>211.6</b>	<b>176.7</b>	<b>160.4</b>	<b>138.4</b>	<b>212.3</b>	<b>173.3</b>	<b>148.8</b>	<b>113.7</b>	<b>107.2</b>	<b>96.0</b>	<b>96.0</b>
<b>Accumulated property tax distributions</b>	<b>(55.8)</b>	<b>(87.9)</b>	<b>(51.9)</b>	<b>(49.8)</b>	<b>(50.6)</b>	<b>(64.8)</b>	<b>(103.4)</b>	<b>(96.3)</b>	<b>(34.6)</b>	<b>(33.7)</b>	<b>(35.7)</b>	<b>(35.3)</b>	<b>(35.3)</b>
<b>Cash net of distributions</b>	<b>\$ 122.3</b>	<b>\$ 167.1</b>	<b>\$ 159.7</b>	<b>\$ 126.9</b>	<b>\$ 109.8</b>	<b>\$ 73.6</b>	<b>\$ 108.9</b>	<b>\$ 77.0</b>	<b>\$ 114.2</b>	<b>\$ 80.0</b>	<b>\$ 71.5</b>	<b>\$ 60.7</b>	<b>\$ 60.7</b>
<b>Memo: (not included in cash flows above)</b>													
Refunding bond proceeds in escrow	59.5	59.5	59.5	59.5	59.5	59.5	59.5	59.5	59.5	59.5	59.5	59.5	59.5
Reimbursements owed to other funds	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd



\$ in millions

	2A + 10F FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017
<b>Operating Receipts</b>				
Property taxes	\$ 468.4	\$ 444.2	\$ 430.7	\$ 416.2
Income & utility taxes	294.7	292.3	294.0	296.1
Gaming taxes	174.2	168.3	170.0	171.7
Municipal service fee to casinos	17.4	17.4	17.4	17.4
State revenue sharing	184.3	186.1	187.9	189.5
Other receipts	342.9	341.6	348.1	343.0
Financing proceeds	139.8	-	-	-
<b>Total operating receipts</b>	<b>1,621.6</b>	<b>1,449.9</b>	<b>1,448.0</b>	<b>1,433.8</b>
<b>Operating Disbursements</b>				
Payroll, taxes, & deductions	(362.2)	(377.4)	(378.3)	(378.3)
Benefits	(165.8)	(114.2)	(106.2)	(110.0)
Pension contributions	(25.4)	(25.7)	(26.2)	(26.6)
Subsidy payments	(49.0)	(51.0)	(37.9)	(40.7)
Distributions - tax authorities	(253.1)	(241.2)	(237.3)	(227.7)
Distributions - UTGO (unsecured)	-	-	-	-
Distributions - DDA increment	(9.0)	(9.0)	(9.0)	(9.0)
Income tax refunds	(17.0)	(17.0)	(17.0)	(17.0)
A/P and other miscellaneous	(534.3)	(547.1)	(504.0)	(516.0)
Professional fees	(59.3)	(37.2)	-	-
<b>Sub-total operating disbursements</b>	<b>(1,475.2)</b>	<b>(1,419.9)</b>	<b>(1,315.9)</b>	<b>(1,325.3)</b>
POC and debt related payments	(58.8)	(92.8)	(125.5)	(125.5)
<b>Total disbursements</b>	<b>(1,534.0)</b>	<b>(1,512.7)</b>	<b>(1,441.4)</b>	<b>(1,450.8)</b>
<b>Net cash flow</b>	<b>87.6</b>	<b>(62.9)</b>	<b>6.6</b>	<b>(17.0)</b>
Beginning cash balance	71.3	158.9	96.0	102.7
Net cash flow	87.6	(62.9)	6.6	(17.0)
Cash before required distributions	158.9	96.0	102.7	85.7
Accumulated property tax distributions	(35.3)	(35.3)	(35.3)	(35.3)
<b>Cash net of distributions</b>	<b>\$ 123.6</b>	<b>\$ 60.7</b>	<b>\$ 67.4</b>	<b>\$ 50.4</b>
<b>Memo: (not included in cash flows above)</b>				
Refunding bond proceeds in escrow	59.5	59.5	59.5	59.5
Reimbursements owed to other funds	tbd	tbd	tbd	tbd

## Appendix A

Reinvestment Adjustments Summary  
Work in Process - Subject to Material Change

\$ in millions

	5	4	4	5	4	4	5	4	4	5	4	4	2A + 10F
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	FY 2014
	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14			
<b>Operating Receipts</b>													
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income & utility taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Gaming taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Municipal service fee to casinos	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	(0.2)	0.1	0.2	0.2	7.0	2.5	2.5	2.5	2.5	2.0			19.1
Financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total operating receipts</b>	<b>(0.2)</b>	<b>0.1</b>	<b>0.2</b>	<b>0.2</b>	<b>7.0</b>	<b>2.5</b>	<b>2.5</b>	<b>2.5</b>	<b>2.5</b>	<b>2.0</b>			<b>19.1</b>
<b>Operating Disbursements</b>													
Payroll, taxes, & deductions	(0.1)	(1.2)	(1.1)	(1.1)	(1.8)	(2.3)	(2.3)	(2.3)	(2.3)	(2.3)			(16.6)
Benefits	(0.1)	(0.7)	(0.7)	(0.7)	(1.1)	(1.3)	(1.3)	(1.3)	(1.3)	(1.3)			(9.8)
Pension contributions	(6.4)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)			(25.4)
Subsidy payments	-	-	-	-	-	-	-	-	-	-			-
Distributions - tax authorities	-	-	-	-	-	-	-	-	-	-			-
Distributions - UTGO (unsecured)	-	-	-	-	-	-	-	-	-	-			-
Distributions - DDA increment	-	-	-	-	-	-	-	-	-	-			-
Income tax refunds	-	-	-	-	-	-	-	-	-	-			-
A/P and other miscellaneous	(4.8)	(2.7)	(2.6)	(2.6)	(19.4)	(19.5)	(18.1)	(16.2)	(16.2)	(16.2)			(118.3)
Professional fees	-	-	-	-	-	-	-	-	-	-			-
<b>Sub-total operating disbursements</b>	<b>(11.3)</b>	<b>(6.7)</b>	<b>(6.5)</b>	<b>(6.5)</b>	<b>(24.4)</b>	<b>(25.1)</b>	<b>(23.8)</b>	<b>(21.9)</b>	<b>(21.9)</b>	<b>(21.9)</b>			<b>(170.1)</b>
POC and debt related payments	-	-	-	-	-	-	-	-	-	-			-
<b>Total disbursements</b>	<b>(11.3)</b>	<b>(6.7)</b>	<b>(6.5)</b>	<b>(6.5)</b>	<b>(24.4)</b>	<b>(25.1)</b>	<b>(23.8)</b>	<b>(21.9)</b>	<b>(21.9)</b>	<b>(21.9)</b>			<b>(170.1)</b>
<b>Net cash flow</b>	<b>(11.5)</b>	<b>(6.6)</b>	<b>(6.3)</b>	<b>(6.3)</b>	<b>(17.4)</b>	<b>(22.7)</b>	<b>(21.4)</b>	<b>(19.4)</b>	<b>(19.4)</b>	<b>(19.9)</b>			<b>(151.0)</b>
<b>Cumulative net cash flow</b>	<b>(11.5)</b>	<b>(18.1)</b>	<b>(24.4)</b>	<b>(30.7)</b>	<b>(48.2)</b>	<b>(70.8)</b>	<b>(92.2)</b>	<b>(111.7)</b>	<b>(131.1)</b>	<b>(151.0)</b>			
<b>Beginning cash balance</b>	<b>-</b>	<b>(11.5)</b>	<b>(18.1)</b>	<b>(24.4)</b>	<b>(30.7)</b>	<b>(48.2)</b>	<b>(70.8)</b>	<b>(92.2)</b>	<b>(111.7)</b>	<b>(131.1)</b>			<b>-</b>
<b>Net cash flow</b>	<b>(11.5)</b>	<b>(6.6)</b>	<b>(6.3)</b>	<b>(6.3)</b>	<b>(17.4)</b>	<b>(22.7)</b>	<b>(21.4)</b>	<b>(19.4)</b>	<b>(19.4)</b>	<b>(19.9)</b>			<b>(151.0)</b>
<b>Cash before required distributions</b>	<b>(11.5)</b>	<b>(18.1)</b>	<b>(24.4)</b>	<b>(30.7)</b>	<b>(48.2)</b>	<b>(70.8)</b>	<b>(92.2)</b>	<b>(111.7)</b>	<b>(131.1)</b>	<b>(151.0)</b>			<b>(151.0)</b>
<b>Accumulated property tax distributions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>			<b>-</b>
<b>Cash net of distributions</b>	<b>\$ (11.5)</b>	<b>\$ (18.1)</b>	<b>\$ (24.4)</b>	<b>\$ (30.7)</b>	<b>\$ (48.2)</b>	<b>\$ (70.8)</b>	<b>\$ (92.2)</b>	<b>\$ (111.7)</b>	<b>\$ (131.1)</b>	<b>\$ (151.0)</b>			<b>\$ (151.0)</b>

<i>\$ in millions</i>	5	4	4	5	4	4	5	4	4	5	4	4	Forecast
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	FY 2015
<b>Operating Receipts</b>													
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income & utility taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Gaming taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Municipal service fee to casinos	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	2.5	2.6	2.6	2.6	2.6	2.6	2.6	3.5	3.5	3.5	3.5	2.6	34.3
Financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total operating receipts,</b>	<b>2.5</b>	<b>2.6</b>	<b>2.6</b>	<b>2.6</b>	<b>2.6</b>	<b>2.6</b>	<b>2.6</b>	<b>3.5</b>	<b>3.5</b>	<b>3.5</b>	<b>3.5</b>	<b>2.6</b>	<b>34.3</b>
<b>Operating Disbursements</b>													
Payroll, taxes, & deductions	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)	(23.2)
Benefits	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(13.5)
Pension contributions	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(25.7)
Subsidy payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributions - tax authorities	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributions - UTGO (unsecured)	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributions - DDA increment	-	-	-	-	-	-	-	-	-	-	-	-	-
Income tax refunds	-	-	-	-	-	-	-	-	-	-	-	-	-
A/P and other miscellaneous	(12.5)	(12.5)	(13.4)	(22.5)	(11.4)	(11.4)	(14.8)	(14.8)	(14.8)	(13.8)	(13.8)	(13.8)	(169.3)
Professional fees	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Sub-total operating disbursements</b>	<b>(17.8)</b>	<b>(17.8)</b>	<b>(18.8)</b>	<b>(27.8)</b>	<b>(16.8)</b>	<b>(16.8)</b>	<b>(20.1)</b>	<b>(19.8)</b>	<b>(19.7)</b>	<b>(18.8)</b>	<b>(18.8)</b>	<b>(18.8)</b>	<b>(231.7)</b>
POC and debt related payments	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>(17.8)</b>	<b>(17.8)</b>	<b>(18.8)</b>	<b>(27.8)</b>	<b>(16.8)</b>	<b>(16.8)</b>	<b>(20.1)</b>	<b>(19.8)</b>	<b>(19.7)</b>	<b>(18.8)</b>	<b>(18.8)</b>	<b>(18.8)</b>	<b>(231.7)</b>
<b>Net cash flow</b>	<b>(15.3)</b>	<b>(15.3)</b>	<b>(16.2)</b>	<b>(25.3)</b>	<b>(14.2)</b>	<b>(14.2)</b>	<b>(17.6)</b>	<b>(16.3)</b>	<b>(16.3)</b>	<b>(15.3)</b>	<b>(15.3)</b>	<b>(16.2)</b>	<b>(197.4)</b>
<b>Cumulative net cash flow</b>	<b>(15.3)</b>	<b>(30.5)</b>	<b>(46.7)</b>	<b>(72.0)</b>	<b>(86.2)</b>	<b>(100.4)</b>	<b>(118.0)</b>	<b>(134.3)</b>	<b>(150.6)</b>	<b>(165.9)</b>	<b>(181.2)</b>	<b>(197.4)</b>	
<b>Beginning cash balance</b>	<b>(151.0)</b>	<b>(166.3)</b>	<b>(181.5)</b>	<b>(197.7)</b>	<b>(223.0)</b>	<b>(237.2)</b>	<b>(251.5)</b>	<b>(269.0)</b>	<b>(285.4)</b>	<b>(301.6)</b>	<b>(316.9)</b>	<b>(332.3)</b>	<b>(151.0)</b>
<b>Net cash flow</b>	<b>(15.3)</b>	<b>(15.3)</b>	<b>(16.2)</b>	<b>(25.3)</b>	<b>(14.2)</b>	<b>(14.2)</b>	<b>(17.6)</b>	<b>(16.3)</b>	<b>(16.3)</b>	<b>(15.3)</b>	<b>(15.3)</b>	<b>(16.2)</b>	<b>(197.4)</b>
<b>Cash before required distributions</b>	<b>(166.3)</b>	<b>(181.5)</b>	<b>(197.7)</b>	<b>(223.0)</b>	<b>(237.2)</b>	<b>(251.5)</b>	<b>(269.0)</b>	<b>(285.4)</b>	<b>(301.6)</b>	<b>(316.9)</b>	<b>(332.3)</b>	<b>(348.5)</b>	<b>(348.5)</b>
<b>Accumulated property tax distributions</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Cash net of distributions</b>	<b>\$ (166.3)</b>	<b>\$ (181.5)</b>	<b>\$ (197.7)</b>	<b>\$ (223.0)</b>	<b>\$ (237.2)</b>	<b>\$ (251.5)</b>	<b>\$ (269.0)</b>	<b>\$ (285.4)</b>	<b>\$ (301.6)</b>	<b>\$ (316.9)</b>	<b>\$ (332.3)</b>	<b>\$ (348.5)</b>	<b>\$ (348.5)</b>



\$ in millions

	2A + 10F FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017
<b>Operating Receipts</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Income & utility taxes	-	-	-	-
Gaming taxes	-	-	-	-
Municipal service fee to casinos	-	-	-	-
State revenue sharing	-	-	-	-
Other receipts	19.1	34.3	40.8	48.0
Financing proceeds	-	-	-	-
<b>Total operating receipts</b>	<b>19.1</b>	<b>34.3</b>	<b>40.8</b>	<b>48.0</b>
<b>Operating Disbursements</b>				
Payroll, taxes, & deductions	(16.6)	(23.2)	(15.2)	(15.5)
Benefits	(9.8)	(13.5)	(8.9)	(8.9)
Pension contributions	(25.4)	(25.7)	(26.2)	(26.6)
Subsidy payments	-	-	-	-
Distributions - tax authorities	-	-	-	-
Distributions - UTGO (unsecured)	-	-	-	-
Distributions - DDA increment	-	-	-	-
Income tax refunds	-	-	-	-
A/P and other miscellaneous	(118.3)	(169.3)	(124.5)	(138.2)
Professional fees	-	-	-	-
<b>Sub-total operating disbursements</b>	<b>(170.1)</b>	<b>(231.7)</b>	<b>(174.8)</b>	<b>(189.3)</b>
POC and debt related payments	-	-	-	-
<b>Total disbursements</b>	<b>(170.1)</b>	<b>(231.7)</b>	<b>(174.8)</b>	<b>(189.3)</b>
<b>Net cash flow</b>	<b>(151.0)</b>	<b>(197.4)</b>	<b>(134.0)</b>	<b>(141.3)</b>
Beginning cash balance	-	(151.0)	(348.5)	(482.5)
Net cash flow	(151.0)	(197.4)	(134.0)	(141.3)
Cash before required distributions	(151.0)	(348.5)	(482.5)	(623.8)
Accumulated property tax distributions	-	-	-	-
<b>Cash net of distributions</b>	<b>\$ (151.0)</b>	<b>\$ (348.5)</b>	<b>\$ (482.5)</b>	<b>\$ (623.8)</b>

## Appendix B

Reinvestment Adjustments Detail  
Work in Process - Subject to Material Change

\$ in millions	5	4	4	5	4	4	5	4	4	5	4	4	2A + 10F FY 2014
	Actual Mar-13	Actual Sep-13	Forecast Sep-13	Forecast Oct-13	Forecast Nov-13	Forecast Dec-13	Forecast Jan-14	Forecast Feb-14	Forecast Mar-14	Forecast Apr-14	Forecast May-14	Forecast Jun-14	
Other restructuring receipts													
Collections			\$ -	\$ (0.1)	\$ (0.1)	\$ (0.1)	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.5
Increased collection rate			0.4	0.1	0.1	0.1	0.4	0.6	0.6	0.6	0.6	0.4	4.2
Collection of past due			0.4	0.1	0.1	0.1	1.0	1.2	1.2	1.2	1.2	1.0	7.6
Pricing/Fees			0.5	0.4	0.4	0.4	0.6	0.6	0.6	0.6	0.6	0.6	5.5
Grant revenue			(1.5)	(0.4)	(0.4)	(0.4)	4.9	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	1.4
Tax revenue upside			-	-	-	-	-	-	-	-	-	-	-
Total other restructuring receipts			(0.2)	0.1	0.2	0.2	7.0	2.5	2.5	2.5	2.5	2.0	19.1
Other restructuring disbursements													
Permanent labor			(0.1)	(1.2)	(1.1)	(1.1)	(1.8)	(2.3)	(2.3)	(2.3)	(2.3)	(2.3)	(16.6)
Benefits			(0.1)	(0.7)	(0.7)	(0.7)	(1.1)	(1.3)	(1.3)	(1.3)	(1.3)	(1.3)	(9.8)
DC pension contributions			(6.4)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(25.4)
Sub-total labor related			(6.5)	(4.0)	(3.9)	(3.9)	(5.0)	(5.7)	(5.7)	(5.7)	(5.7)	(5.7)	(51.8)
Professional & contract services			(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(1.3)
Training			-	(0.1)	(0.1)	(0.1)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(4.3)
Materials and supplies			(0.0)	(0.1)	(0.0)	(0.0)	(0.4)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(4.1)
Utilities			(0.0)	(0.0)	(0.0)	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Purchased services			(0.0)	(0.0)	(0.0)	(0.0)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(1.9)
Risk management/insurance			-	-	-	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)
Transfers in/out (General Fund)			(0.1)	(0.1)	-	-	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(1.2)
Other			0.1	(0.0)	0.0	0.0	0.2	0.3	0.3	0.3	0.3	0.3	1.9
Blight			(0.5)	(0.5)	(0.5)	(0.5)	(3.0)	(3.0)	(5.6)	(5.6)	(5.6)	(5.6)	(30.5)
PLD decommission			-	-	-	-	-	-	-	-	-	-	-
Technology infrastructure			(2.6)	(0.8)	(0.8)	(0.8)	(2.0)	(2.0)	(2.0)	(1.9)	(1.9)	(1.9)	(16.6)
Capital expenditures			(0.8)	(0.4)	(0.4)	(0.4)	(4.3)	(4.1)	(4.1)	(4.1)	(4.1)	(4.1)	(27.0)
Other infrastructure			-	-	-	-	(6.0)	(6.0)	(2.1)	(0.2)	(0.2)	(0.2)	(14.9)
Reorganization costs			(0.8)	(0.6)	(0.6)	(0.6)	(2.6)	(2.6)	(2.6)	(2.6)	(2.6)	(2.6)	(18.2)
Deferral of expenditures			-	-	-	-	-	-	-	-	-	-	-
Sub-total capex and other			(4.8)	(2.7)	(2.6)	(2.6)	(19.4)	(19.5)	(18.1)	(16.2)	(16.2)	(16.2)	(118.3)
Total other restructuring disbursements			(11.3)	(6.7)	(6.5)	(6.5)	(24.4)	(25.1)	(23.8)	(21.9)	(21.9)	(21.9)	(170.1)
Net impact of reinvestment			\$ (11.5)	\$ (6.6)	\$ (6.3)	\$ (6.3)	\$ (17.4)	\$ (22.7)	\$ (21.4)	\$ (19.4)	\$ (19.4)	\$ (19.9)	\$ (151.0)
Cumulative net cash flow			(11.5)	(18.1)	(24.4)	(30.7)	(48.2)	(70.8)	(92.2)	(111.7)	(131.1)	(151.0)	

\$ in millions

	5	4	4	5	4	4	5	4	4	5	4	4	Forecast
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	FY 2015
<b>Other restructuring receipts</b>													
Collections	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.3
Increased collection rate	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.9	0.9	0.9	0.9	0.6	8.0
Collection of past due	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.8	0.8	0.8	0.8	0.2	4.8
Pricing/Fees	0.9	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	11.5
Grant revenue	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(2.4)
Tax revenue upside	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	12.2
<b>Total other restructuring receipts</b>	<b>2.5</b>	<b>2.6</b>	<b>2.6</b>	<b>2.6</b>	<b>2.6</b>	<b>2.6</b>	<b>2.6</b>	<b>3.5</b>	<b>3.5</b>	<b>3.5</b>	<b>3.5</b>	<b>2.6</b>	<b>34.3</b>
<b>Other restructuring disbursements</b>													
Permanent labor	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)	(23.2)
Benefits	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(13.5)
DC pension contributions	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(25.7)
Sub-total labor related	(5.4)	(5.4)	(5.4)	(5.4)	(5.4)	(5.4)	(5.4)	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)	(62.4)
Professional & contract services	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(1.9)
Training	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(6.7)
Materials and supplies	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(8.0)
Utilities	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	3.8
Purchased services	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(1.6)
Risk management/insurance	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	0.2	0.2	0.2	0.2	0.2	0.2	0.9
Transfers in/out (General Fund)	0.1	0.1	0.1	0.1	0.1	0.1	0.3	0.3	0.3	0.3	0.3	0.3	2.6
Other	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	3.2
Blight	(5.8)	(5.8)	(5.8)	(5.8)	(5.8)	(5.8)	(5.8)	(5.8)	(5.8)	(5.8)	(5.8)	(5.8)	(69.5)
PLD decommission	-	-	-	-	-	-	(4.2)	(4.2)	(4.2)	(4.2)	(4.2)	(4.2)	(25.0)
Technology infrastructure	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(23.1)
Capital expenditures	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(41.1)
Other infrastructure	(0.3)	(0.3)	(1.3)	(11.4)	(0.3)	(0.3)	(0.2)	(0.2)	(1.2)	(0.2)	(0.2)	(0.2)	(16.2)
Reorganization costs	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)	(11.7)
Deferral of expenditures	1.0	1.0	1.0	2.0	2.0	2.0	2.0	2.0	3.0	3.0	3.0	3.0	25.0
Sub-total capex and other	(12.5)	(12.5)	(13.4)	(22.5)	(11.4)	(11.4)	(14.8)	(14.8)	(14.8)	(13.8)	(13.8)	(13.8)	(169.3)
<b>Total other restructuring disbursements</b>	<b>(17.8)</b>	<b>(17.8)</b>	<b>(18.8)</b>	<b>(27.8)</b>	<b>(16.8)</b>	<b>(16.8)</b>	<b>(20.1)</b>	<b>(19.8)</b>	<b>(19.7)</b>	<b>(18.8)</b>	<b>(18.8)</b>	<b>(18.8)</b>	<b>(231.7)</b>
<b>Net impact of reinvestment</b>	<b>\$ (15.3)</b>	<b>\$ (15.3)</b>	<b>\$ (16.2)</b>	<b>\$ (25.3)</b>	<b>\$ (14.2)</b>	<b>\$ (14.2)</b>	<b>\$ (17.6)</b>	<b>\$ (16.3)</b>	<b>\$ (16.3)</b>	<b>\$ (15.3)</b>	<b>\$ (15.3)</b>	<b>\$ (16.2)</b>	<b>\$ (197.4)</b>
Cumulative net cash flow	(15.3)	(30.5)	(46.7)	(72.0)	(86.2)	(100.4)	(118.0)	(134.3)	(150.6)	(165.9)	(181.2)	(197.4)	
Cumulative net cash flow (2 yr)	(166.3)	(181.5)	(197.7)	(223.0)	(237.2)	(251.5)	(269.0)	(285.4)	(301.6)	(316.9)	(332.3)	(348.5)	

\$ in millions

	2A + 10F FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017
<b>Other restructuring receipts</b>				
Collections	\$ 0.5	\$ 0.3	\$ 0.3	\$ 2.3
Increased collection rate	4.2	8.0	9.6	12.8
Collection of past due	7.6	4.8	5.4	-
Pricing/Fees	5.5	11.5	11.5	11.5
Grant revenue	1.4	(2.4)	(2.4)	(2.4)
Tax revenue upside	-	12.2	16.4	23.8
<b>Total other restructuring receipts</b>	<b>19.1</b>	<b>34.3</b>	<b>40.8</b>	<b>48.0</b>
<b>Other restructuring disbursements</b>				
Permanent labor	(16.6)	(23.2)	(15.2)	(15.5)
Benefits	(9.8)	(13.5)	(8.9)	(8.9)
DC pension contributions	(25.4)	(25.7)	(26.2)	(26.6)
Sub-total labor related	(51.8)	(62.4)	(50.3)	(51.1)
Professional & contract services	(1.3)	(1.9)	(1.9)	(1.9)
Training	(4.3)	(6.7)	(6.1)	(6.1)
Materials and supplies	(4.1)	(8.0)	(7.6)	(7.6)
Utilities	0.0	3.8	3.8	3.8
Purchased services	(1.9)	(1.6)	(0.6)	(1.1)
Risk management/insurance	(0.1)	0.9	5.9	5.9
Transfers in/out (General Fund)	(1.2)	2.6	6.0	6.1
Other	1.9	3.2	3.3	3.3
Blight	(30.5)	(69.5)	(100.0)	(100.0)
PLD decommission	-	(25.0)	(25.0)	(25.0)
Technology infrastructure	(16.6)	(23.1)	(15.9)	(7.6)
Capital expenditures	(27.0)	(41.1)	(15.3)	(29.0)
Other infrastructure	(14.9)	(16.2)	(14.4)	(13.6)
Reorganization costs	(18.2)	(11.7)	(4.8)	(1.5)
Deferral of expenditures	-	25.0	48.0	36.1
Sub-total capex and other	(118.3)	(169.3)	(124.5)	(138.2)
<b>Total other restructuring disbursements</b>	<b>(170.1)</b>	<b>(231.7)</b>	<b>(174.8)</b>	<b>(189.3)</b>
<b>Net impact of reinvestment</b>	<b>\$ (151.0)</b>	<b>\$ (197.4)</b>	<b>\$ (134.0)</b>	<b>\$ (141.3)</b>
<b>Cumulative impact of reinvestment</b>	<b>(151.0)</b>	<b>(348.5)</b>	<b>(482.5)</b>	<b>(623.8)</b>

## Appendix C

### Debt Sub-Schedules

Work in Process - Subject to Material Change



\$ in millions

	5	4	4	5	4	4	5	4	4	5	4	4	2A + 10F
	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	FY 2014
	Sep-13	Oct-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	
POC and debt related payments													
POC swap set-asides			\$ (4.2)	\$ (4.2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (21.1)
LTGO set-aside - 2012C (\$250m) - principal			-	-	(1.1)	-	(1.1)	-	(1.1)	-	(1.1)	-	(4.3)
LTGO set-aside - 2012C (\$250m) - interest			(2.1)	-	(2.1)	-	(2.1)	-	(2.1)	-	(2.1)	-	(12.6)
LTGO set-aside - 2010 (\$130m) - principal			-	-	(0.7)	-	(0.7)	-	(0.7)	-	(0.7)	-	(2.9)
LTGO set-aside - 2010 (\$130m) - interest			(1.0)	-	(1.0)	-	(1.0)	-	(1.0)	-	(1.0)	-	(6.1)
Capital lease payments			-	(0.0)	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	-	(0.0)	(0.1)
DIP financing (\$350m) - principal			-	-	-	-	-	-	-	-	-	-	-
DIP financing (\$350m) - interest			-	-	(1.5)	(1.5)	(1.5)	(1.5)	(1.5)	(1.5)	(1.5)	(1.5)	(11.7)
Total POC and debt related payments			(7.3)	(4.2)	(6.4)	(1.5)	(6.4)	(1.5)	(6.4)	(1.5)	(6.4)	(1.5)	(58.8)

\$ in millions

	5	4	4	5	4	4	5	4	4	5	4	4	Forecast
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	FY 2015
POC and debt related payments													
POC swap set-asides	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
LTGO set-aside - 2012C (\$250m) - principal	(1.1)	-	(1.1)	-	(1.1)	-	(1.1)	-	(1.1)	-	(1.1)	-	(6.7)
LTGO set-aside - 2012C (\$250m) - interest	(2.1)	-	(2.1)	-	(2.0)	-	(2.0)	-	(2.0)	-	(2.0)	-	(12.4)
LTGO set-aside - 2010 (\$130m) - principal	(0.7)	-	(0.7)	-	(0.7)	-	(0.7)	-	(0.7)	-	(0.7)	-	(4.4)
LTGO set-aside - 2010 (\$130m) - interest	(1.0)	-	(1.0)	-	(1.0)	-	(1.0)	-	(1.0)	-	(1.0)	-	(6.0)
Capital lease payments	-	-	-	-	-	-	-	-	-	-	-	-	-
DIP financing (\$350m) - principal	-	-	-	-	-	(6.0)	(6.0)	(6.0)	(6.1)	(6.1)	(6.1)	(6.2)	(42.4)
DIP financing (\$350m) - interest	(1.5)	(1.5)	(1.5)	(1.5)	(1.5)	(2.0)	(2.0)	(2.0)	(1.9)	(1.9)	(1.9)	(1.8)	(20.8)
Total POC and debt related payments	(6.4)	(1.5)	(6.4)	(1.5)	(6.4)	(8.0)	(12.9)	(8.0)	(12.9)	(8.0)	(12.9)	(8.0)	(92.8)



\$ in millions

	<u>2A + 10F</u>	<u>Forecast</u>	<u>Forecast</u>	<u>Forecast</u>
	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
POC and debt related payments				
POC swap set-asides	\$ (21.1)	\$ -	\$ -	\$ -
LTGO set-aside - 2012C (\$250m) - principal	(4.3)	(6.7)	(7.0)	(7.4)
LTGO set-aside - 2012C (\$250m) - interest	(12.6)	(12.4)	(12.0)	(11.7)
LTGO set-aside - 2010 (\$130m) - principal	(2.9)	(4.4)	(4.6)	(4.9)
LTGO set-aside - 2010 (\$130m) - interest	(6.1)	(6.0)	(5.8)	(5.6)
Capital lease payments	(0.1)	-	-	-
DIP financing (\$350m) - principal	-	(42.4)	(76.9)	(82.5)
DIP financing (\$350m) - interest	(11.7)	(20.8)	(19.1)	(13.5)
Total POC and debt related payments	<u>(58.8)</u>	<u>(92.8)</u>	<u>(125.5)</u>	<u>(125.5)</u>